

Message Text

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ACTION EA-12

INFO OCT-01 ISO-00 HA-05 CIAE-00 DODE-00 PM-05 H-01
INR-10 L-03 NSAE-00 NSC-05 PA-01 SP-02 SS-15
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FM AMEMBASSY KUALA LUMPUR
TO SECSTATE WASHDC 3840
INFO AMEMBASSY BANGKOK
AMEMBASSY JAKARTA
AMEMBASSY MANILA
AMEMBASSY SINGAPORE
CINCPAC HONOLULU HI

C O N F I D E N T I A L SECTION 01 OF 02 KUALA LUMPUR 3590

CINCPAC FOR POLAD

E. O. 11652: GDS
TAGS: PINT, PGOV, MY
SUBJ: OPPOSITION LEADER ARRESTED FOR VIOLATING SECRET ACT

REF: A) KUALA LUMPUR 2353 DTB 220713Z MAR 78, B) KUALA LUMPUR
0283 DTB 120443Z JAN 78,
C) 77 KUALA LUMPUR 7031 (NOTAL) DTB 280201Z SEP 77
D) 77 KUALA LUMPUR 6442 (NOTAL) DTG 130851Z SEP 77

1. SUMMARY. THE GOME ARRESTED THE LEADER OF THE
PARLIAMENTARY OPPOSITION ON APRIL 23 AND CHARGED HIM
WITH VIOLATIONS OF THE OFFICIAL SECRETS ACT. THE
ARREST, COMING AT A TIME WHEN EARLY ELECTIONS ARE
WIDELY PREDICTED, HAS RAISED CHARGES OF GOVERNMENT
ATTEMPTS TO DISCREDIT THE OPPOSITION PRIOR TO ELECTIONS.
IF THIS IS THE CASE, THOUGH, THE POLITICAL REPER-
CUSSIONS COULD AS EASILY HURT AS HELP THE GOVERNMENT
SIDE. OTHERS VIEW THE ARREST AND ITS TIMING AS
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LOGICAL CULMINATIONS OF MONTHS OF THOROUGH INVE-
STIGATION OF THE CASE. REGARDLESS OF THE MOTIVES,
THIS DEVELOPMENT WILL HAVE SIGNIFICANT IMPACT ON
THE LOCAL POLITICAL SCENE, PROBABLY AFFECTING THE
POLITICAL FORTUNES OF SOME PROMINENT PERSONALITIES,
WITHOUT HOWEVER THREATENING THE GOVERNING NATIONAL
FRONT COALITION'S OVERALL CHANCES OF WINNING THE

COMING ELECTIONS. END SUMMARY.

2. THE LEADER OF THE PARLIAMENTARY OPPOSITION AND SECRETARY GENERAL OF THE DEMOCRATIC ACTION PARTY (DAP), LIM KIT SINAG, WAS ARRESTED AT 6:00 A.M. ON APRIL 23. HE WAS CHARGED WITH FIVE COUNTS OF VIOLATING THE OFFICIAL SECRETS ACT, 1972, AND RELEASED ON BAIL OF \$.2000 (US\$800) FOR EACH COUNT. THE FIVE CHARGES ALL RELATE TO DOCUMENTS CONCERNING THE PURCHASE BY THE GOM OF FOUR SPICA-M FAST PATROL CRAFT FOR THE ROYAL MALAYSIAN NAVY. ALL FIVE CHARGES CONCERN THE SAME DOCUMENTS OR INFORMATION, THE FIRST BEING THAT LIM RECEIVED THE INFORMATION IN AUGUST 1976, THE SECOND, THIRD AND FOURTH THAT HE DIVULGED IT DURING 1976, AND THE FIFTH THAT HE DID NOT PROVIDE INFORMATION RELATING TO THE FOREGOING WHEN QUESTIONED BY POLICEMEN IN 1977.

3. LIM PLEADED NOT GUILTY TO TWO OF THE CHARGES IN MALACCA SESSIONS COURT ON APRIL 24, TO ONE OTHER IN SEREMBAN SESSIONS COURT ON APRIL 25, AND TO THE OTHER TWO COUNTS IN KUALA LUMPUR SESSIONS COURT ON APRIL 26. ALL THREE CASES WERE TRANSFERRED TO THE KUALA LUMPUR HIGH COURT WITH A HEARING SET FOR APRIL 28. ON APRIL 26 DAP NATIONAL ORGANIZING SECRETARY P. CONFIDENTIAL

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PATTO WAS ARRESTED ON A SIMILAR CHARGE AND BROUGHT BEFORE SEREMBAN SESSIONS COURT. HIS CASE WAS ALSO TRANSFERRED TO KUALA LUMPUR HIGH COURT FOR AN APRIL 28 HEARING; HE TOO WAS RELEASED ON BAIL.

4. BACKGROUND TO THE CHARGES. IN 1976 LIM RECEIVED INFORMATION FROM DISGRUNTLED MINISTRY OF DEFENSE OFFICIALS WHO OBJECTED TO THE PURCHASE OF THE SPICA-M BOATS AS UNSUITABLE FOR THE MALAYSIAN NAVY'S NEEDS AND ACCORDING TO ONE PRESS CONTACT, PROBABLY ALSO FROM THE LATE SYED JAAFAR ALBAR, WHO WAS THEN PRESIDENT OF UMNO YOUTH AND WAS AT ODDS WITH PRIME MINISTER HUSSEIN ONN'S GOVERNMENT. (JAAFAR WAS ALSO A DIRECTOR OF A COMPANY WHOSE LOCAL SHIPYARD HAD EXPECTED TO GET THE ORDER FOR FAST PATROL BOAT WHICH EVENTUALLY WENT TO THE SWEDISH MANUFACTURER OF THE SPICA-M'S.) CONTENDING HE WAS ATTEMPTING TO EXPOSE CORRUPTION IN THE PURCHASE OF THE BOATS, LIM MADE A SPEECH IN PARLIAMENT ON THE SUBJECT, WROTE A LETTER TO THE "FAR EASTERN ECONOMIC REVIEW" AND HAD HIS

PARLIAMENTARY SPEECH PULISHED IN THE DAP PARTY ORGAN, "THE ROCKET". (P. PATTO IS EDITOR OF "THE ROCKET".) ACCORDING TO PRESS SOURCES, PM HUSSEIN APPARENTLY ORDERED AN INTERNAL INVESTIGATION OF LIM'S CHARGES AND WAS CONVINCED THAT THERE HAD BEEN NO SERIOUS WRONGDOING.

5. LOCAL OBSERVERS WERE SURPRISED AT THE ARRESTS. THERE WERE NO HINTS THAT THAT ARRESTS WERE IMMINENT AND TH GOM'S CASE AGAINST LIM AND PATTO IS VERY DETAILED, REFLECTING A SERIOUS INVESTIGATION AND CAREFUL PREPARATION.

6. COMMENT. THE ARREST OF THE LEADER OF THE
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OPPOSITION JUST BEFORE PREDICTED GENERAL ELECTIONS HAS NATURALLY RAISED QUESTIONS ABOUT THE GOM'S INTENTIONS. THE DAP HAS BEEN VOCAL IN CONDEMNING THE ARRESTS AS POLITICAL PERSECUTION AND POINTING OUT THE IRONY IN PUNISHING A MAN FOR ATTEMPTING TO EXPOSE CORRUPTION IN HIGH PLACES. THE DAP WILL UNDOUBTEDLY MAKE THE MOST OF THE ARRESTS TO PORTRAY THEMSELVES AS VICTIMS OF THE GOM'S ARBITRARY POWER. THEY HAVE ALREADY STARTED A NATION-WIDE LEGAL DEFENSE FUND FOR LIM AND PATTO AND HELD SMALL DEMONSTRATIONS ON THEIR BEHALF ON THE COURTHOUSE STEPS.

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C O N F I D E N T I A L SECTION 2 OF 2 KUALA LUMPUR 3590

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7. WHILE THE DAP REACTION TO THE ARRESTS IS PREDICTABLE, IT IS MORE DIFFICULT TO FATHOM THE GOVERNMENT'S MOTIVATION IN INITIATING COURT ACTION JUST BEFORE AN ELECTION. SEVERAL LEGAL OBSERVERS HAVE TOLD US THAT THEY SEE NO SPECIAL SIGNIFICANCE TO THE TIMING OF THE ARRESTS, WHICH THEY VIEW AS MARKING THE CULMINATION OF A THOROUGH INVESTIGATION. ACCORDING TO THESE SOURCES, A CAREFUL CRIMINAL INVESTIGATION COULD EASILY TAKE ALMOST TWO YEARS, AND THE GOM PROBABLY HAS A SOLID CASE AGAINST LIM AND PATTO. NEVERTHELESS, THE ARRESTS OF MAJOR OPPOSITION POLITICIANS ON CHARGES WHICH OSTEBSIBLY THREATEN NATIONAL SECURITY WOULD ALSO HAVE THE EFFECT OF DISCREDITING THEM IN THE EYES OF SOME VOTERS, ESPECIALLY AMONG THE ALAYS WHO ARE GENERALLY SUSPICIOUS OF THE LOYALTY OF LIM AND THE DAP. LENGTHY COURT PROCEEDINGS COULD ALSO TIE UP LIM AND PATTO AND THEIR
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ATTORNEY, KARPAL SINGH (ALSO A MAJOR DAP POLITICIAN) DURING THE ELECTION PERIOD. FINALLY, THE ARRESTS COULD SERVE AS A POINTED WARNING TO THE OPPOSITION THAT THEY SHOULD BE CAREFUL IN BRINGING UNSUBSTANTIAL CORRUPTION CHARGES AGAINST THE GOM DURING THE ELECTION CAMPAIGN. CORRUPTION FIGURES TO BE A MAJOR OPPOSITION ISSUE DURING THE CAMPAIGN, ALONG WITH VARIOUS CHAUVINISTIC COMMUNAL APPEALS: IN THIS REGARD THE GOVERNMENT HAS ISSUED A NUMBER OF SIMILAR WARNINGS AGAINST "RACIAL POLITICS" IN RECENT WEEKS. IN-

CLUDING AN EDITORIAL IN THE SAEM EDITION OF THE

GOM-INFLUENCED "NEW STRAITS TIME" WHICH FIRST REPORTED LIM'S ARREST.

8. NVERTHELESS, IF THE TIMING OF THE ARRESTS IS INDEED RELATED TO THE COMING ELECTIONS, THERE IS A GOOD CHANCE IT COULD BACKFIRE ON THE GOM. THE CHARGES OF POLITICAL PERSECUTION WILL

NOT BE LOST ON THE NON-MALAY ELECTROATE, AND
LIM KIT SIANG, WHO SERVED 18 MONTHS INJAIL
WITHOUT TRIAL FOLLOWING THE MAY 1969 COMMUNAL
DISTURBANCES, MAKES AN IDEAL MARTYR. A LONG
TRIAL DURING THE CAMPAIGN PERIOD WOULD TIE

DOWN SEVERAL DAP POLITICIANS BUT WOULD ALSO
PROVIDE THEM WITH AN IDEAL PLATFORM TO MAGNIFY
THE CORRUPTION ISSUE, EVEN IF LIM AND PATTO
ARE CONVICTED OF VIOLATING THE OFFICIAL SECRETS
ACT. ALTHOUGH CONVICTION COULD CRIPPLE LIM'S
POLITICAL CAREER AND THEREBY REMOVE A HIGHLY
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PARTISAN THORN FROM THE GOVERNMENT'S SIDE SINCE
THE PENALTIES ATTACHED TO THE CHARGES ARE
SUFFICIENT TO BAN HIM FROM POLITICAL ACTIVITY
FOR FIVE YEARS AFTER HE SERVES ANY SENTENCE, ANY
SUCH BAN WOULD NOT GO INTO EFFECT UNTIL ALL
AVENUES OF APPEAL HAVE BEEN EXHAUSTED, A PROCESS
WHICH COULD TAKE SEVERAL YEARS. THUS THE OVER-
ALL POLITICAL EFFECT OF THE ARRESTS AND TRIAL
COULD EASILY BE INIMICAL TO NATIONAL FRONT'S
INTEREST, PRIMARILY IN NON-MALAY URBAN AREAS,
ALTHOUGH THE CASE COULD AID THE NF IN ITS COM-
PETITION WITH THE MALAY-CHAUVINIST ISLAMIC PARTY
IN OTHER PARTS OF THE COUNTRY.

9. THE POLITICAL IMPACT OF THIS AFFAIR WILL
BECOME CLEARER AFTER APRIL 28 WHEN THE CASE IS
TO BE HEARD IN KUALA LUMPUR HIGH COURT. IF
THAT SESSION MERELY SETS A FUTURE DATE FOR A
TRIAL SOME MONTHS FROM NOW, IT IS LIKELY THAT
THE ARRESTS WILL DIE DOWN AS A PUBLIC ISSUE.
LIM AND THE DAP WILL BE CONSTRAINED FROM
RAISING THE MATTER SINCE IT WILL TECHNICALLY BE
UNDER LITIGATION. LIKEWISE, THE GOM WILL NOT
BE ABLE TO USE LIM AND PATTO'S ALLEGED CRIMINAL
ACTIVITY AS A CAMPAIGN ISSUE, BUT THE POINT WILL
HAVE BEEN MADE THAT CHARGING THE GOVERNMENT
WITH CORRUPTION CAN BE A TWO-EDGED SWORD. A
TRIAL DURING THE NEXT THREE MONTHS WITH ELECTIONS
EXPECTED THIS SUMMER, HOWEVER, COULD HAVE
UNPREDICTABLE REPERCUSSIONS FOR THE GOVERNMENT,
RAISING THE RISK OF CHARGES OF EXCESSIVE GOM
MANIPULATION OF THE POLITICAL PROCESS AND OF
RALLYING A CONSIDERABLE PORTION OF THE NON-MALAY
ELECTORATE AROUND LIM KIT SIANG AND HIS DAP.
IF THE DAP SUCCESSFULLY EXPLOITS THE ISSUE OF
ALLEGED POLITICAL PERSECUTION, THE BRUNT OF THE

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IMPACT WILL BE BORNE BY NON-MALAY POLITICIANS
IN NF COMPONENT PARTIES. IN ANY CASE, NF CON-
TROL OF THE GOVERNMENT WOULD NOT BE THREATENED

BY INCREASED SUPPORT FOR THE CHINESE-BASED
OPPOSITION SINCE ITS STRENGTH LIES IN MALAY SUP-
PORT FOR THE UNITED MALAYS NATION ORGANIZATION
(UMNO) AND THAT SUPPORT WOULD, IF ANYTHING BE
ENHANCED BY A STRONG STAND AGAINST APPARENT
"TRAITORS" IN THE DAP (INCIDENTALLY, THE LEGAL
ACTION AGAINST LIM AND PATTO COMES ON THE EVE
OF UMNO'S IMPORTANT TRIENNIAL PARTY ELECTIONS,
SCHEDULED TO TAKE PLACE IN JUNE; THE HIGHLY
PARTISAN OPPOSITION LEADER IS WIDELY DISLIKED
BY UMNO RANK AND FILE AND THE CASE AGAINST HIM
MIGHT OFFSET CONTINUED CONTROVERSY IN UMNO
CIRCLES OVER THE CONVICTION AND JAILING OF FORMER
UMNO POLITICAL BOSS DATUK HARUN IDRIS ON COR-
RUPTION CHARGES).
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